

News Briefs

June is National Homeownership Month

USDA Rural Development will celebrate National Homeownership Month throughout June with events across the nation that demonstrate the commitment to provide access to affordable housing for low- and moderate-income rural residents.

USDA Rural Development builds strong relationships with lenders, home builders, realtors, community development organizations, non-profits and housing finance authorities to provide homeownership opportunities to very-low, low- and moderate-income individuals in rural areas.

USDA's Guaranteed Loan program, for instance, increases access to mortgage financing in rural communities by offering approved lenders a 90 percent loan guarantee to offset their risk if a borrower defaults. By partnering with approved public and private lenders, more than one million low- to moderate-income families have bought and refinanced homes in rural America through this program during the Obama Administration. The program requires no down payment from the applicant, offers a fixed interest rate, and has a 30-year loan term.

The Department recently announced a series of changes that will make it faster and cheaper for rural homeowners with USDA-backed mortgages to refinance their loans and save money with a lower interest rate. The changes took effect June 2. Interested homeowners with USDA loan guarantees should contact their lender about refinance procedures. Homeowners with mortgages through USDA's Direct Loan program should contact a USDA housing specialist.

In addition to mortgage financing, USDA provides grants and loans to help rural homeowners make improvements or repairs, such as removing health and safety hazards or making accessibility modifications for people with disabilities.

For more information about USDA Rural Development's Single Family Housing Program, visit the web at <http://www.rd.usda.gov/wa>.

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Spokane Tribe Wins Promise Zone Designation

Congratulations to the Spokane Tribe of Indians, which was selected as a Promise Zone, announced by President Obama on June 6th as part of the third and final round of Promise Zone designations.



State Director
Mario Villanueva

President Obama launched the Promise Zones Initiative in 2014 to address the challenges facing rural and tribal communities by providing tailored assistance based on the specific needs of a community and promoting collaboration between private business, federal, state, tribal and local officials. Collaborations also focus on faith-based and non-profit organizations and community members.

This competitively-awarded designation provides custom tailored federal support for Spokane tribal leaders to address locally-defined revitalization goals including creating jobs through investments in renewable energy, housing construction and technology centers and reducing crime by revising an antiquated law and order code and implementing a community policing strategy, among other strategies.

U.S. Secretary of the Interior Sally Jewell and Rural Utility Service Deputy Administrator for USDA

Rural Development, Josh Cohen joined leaders of the tribe on June 9th to celebrate their selection.

"By aligning federal programs more efficiently to the priorities set out by tribal leaders, the Promise Zone processes, strategies and innovations can be used to improve how federal agencies engage with tribal and local communities across the country," said Secretary Jewell who chairs the White House Council on Native American Affairs. "By partnering with the Spokane Tribe of Indians, we are streamlining resources across agencies to deliver comprehensive support that will provide tribal leaders with the tools they need to control their community's future."

With a commitment to the tribe's 2,874 citizens, the initiative will help build a stronger community and strengthen tribal sovereignty. The tribe is battling a 33 percent poverty rate and 25 percent unemployment.

The Spokane Tribe of Indians Promise Zone includes the Spokane Indian Reservation (160,000 acres), and all lands held in trust by the federal government on behalf of the Spokane Tribe.

Sincerely,

Mario Villanueva
Washington State Director

Funding Available for Rural Community Development Initiative Grant

USDA Rural Development is seeking applications for the Rural Community Development Grant Initiative, which helps develop the capacity and ability of qualified private, nonprofit community-based housing and community development organizations, low-income rural communities, and federally recognized Native American tribes to undertake projects related to housing, community facilities, or community and economic development in rural areas.

The RCDI program requires the intermediary (grantee) to provide a program of financial and technical assistance to recipients. The recipients will, in turn, provide programs to their communities (beneficiaries).

Of particular note this year, USDA Rural Development is encouraging applications for projects based in or servicing high poverty areas. This emphasis will support the agency's mission of improving the quality of life for rural Americans



and commitment to directing resources to those who need them most.

Applicants must provide matching funds in an amount at least equal to the grant. The deadline for receipt of an application is 4 p.m. local time, July 22, 2016.

For more information, please contact Peter McMillin by calling 360.704.7737 or by emailing him at peter.mcmillin@wa.usda.gov

Broadband Funding

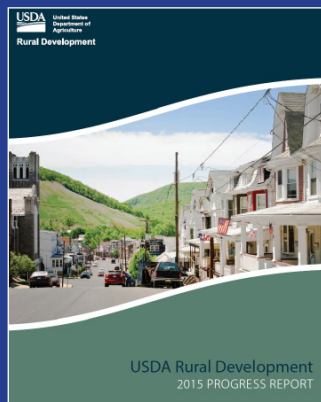
The Rural Utilities Service (RUS) is accepting applications for the Rural Broadband Access Loan and Loan Guarantee program. Applications must be submitted no later than July 7, 2016. For more information, please contact the Loan Origination and Approval Division at (202) 720-0800. To learn more about the program, please visit the web at <http://www.rd.gov>.

Value-Added Grant Deadline Approaching

USDA Rural Development is seeking applications for its Value-Added Producer Grant (VAPG) Program, which is available to farmers, ranchers, and rural businesses to develop new bio-based products and expand their markets. The deadline to submit paper applications is July 1, 2016. Electronic applications submitted through grants.gov are due June 24, 2016. For more information about this program, please contact Greg York at gregory.york@wa.usda.gov.

Broadband Community Connect Program

The deadline is fast approaching for submitting applications for grants to establish broadband in unserved rural communities through USDA Rural Development's Community Connect program. Deadline for both paper and electronic applications is June 17, 2016. For more information on how to apply for grants, see page 22567 of the April 18, 2016 Federal Register.



USDA Seeks Applications For Socially Disadvantaged Groups Grant

USDA Rural Development is seeking applications for grants to provide assistance to socially-disadvantaged business groups in rural areas.

"Rural America is an incredibly diverse place with many types of businesses and business owners participating in the economy," said Rural Business-Cooperative Service Administrator Sam Rikers. "This funding will give small, rural businesses the technical assistance they need to compete in the global marketplace."

The funding is being provided through the Socially Disadvantaged Groups Grant (SDGG) program. USDA provides grants to local cooperatives and other organizations that provide technical assistance to socially disadvantaged groups in rural areas.

Examples of technical assistance



include providing leadership training, conducting feasibility studies and developing business and strategic plans.

Recipients eligible for these grants include groups of cooperatives, individual cooperatives and cooperative development centers that serve socially-disadvantaged groups. The cooperatives or development centers can be based in any area, but the groups that receive technical assistance must be located in an eligible

rural area. USDA is encouraging applications for projects in census tracts with poverty rates of 20 percent or higher.

USDA is making \$3 million in grants available. The maximum award a recipient may receive is \$175,000.

All grants are awarded through a national competition. More information on how to apply can be found on page 36254 of the June 6, 2016 Federal Register. Applications must be submitted by August 5, 2016, or electronically by August 1, 2016.

For more information, please contact Washington State Business Program Director Brian Buch by calling (360) 704-7707 or email him at brian.buch@wa.usda.gov.

USDA Rural Development Expands Capital Access for Rural Businesses

USDA Rural Development unveiled new rules to expand access to capital for rural businesses.

The changes, published in the June 3 Federal Register, make it easier for rural businesses to qualify for loans in USDA's Business & Industry (B&I) Guaranteed Loan Program.

They allow businesses to use the New Markets Tax Credit as a form of equity, and allow, for the first time, employees of a business to qualify for loan guarantees to purchase stock in a business by forming an Employee Stock Ownership Plan or worker cooperative.

Other improvements include:

- New, loan application scoring criteria, including priority for loans to businesses that will create quality jobs, such as those with health care benefits;
- Reduced paperwork requirements to refinance loans;
- Strengthened eligibility criteria for non-regulated lenders (such as privately owned finance companies) to participate in the B&I program;
- Expanded loan eligibility, including in urban areas, for projects that process, distribute, aggregate, store

and/or market locally or regionally produced foods.

The stock ownership provisions are modeled after rural cooperative businesses. Co-ops have been economic development partners with USDA for decades.

A January 2016 USDA report indicated that cooperatives earned \$6.5 billion in net income and generated \$246.7 billion in total revenue in 2014.

For a complete overview of the new rules, see page 35984 of the June 3, 2016 Federal Register.

Comments Needed For Rural Energy Savings Program

USDA is seeking comments on how the Rural Utilities Service should develop the Rural Energy Savings Program (RESP). This is a new program recently authorized by Congress. The purpose of RESP is to help rural families and small businesses reduce energy use.

USDA will provide loans to RUS borrowers that will re-lend money to qualified consumers to implement cost-effective

energy efficiency measures. USDA seeks input on how to provide technical assistance and training to the employees of eligible entities, and ways to measure and verify provisions of RESP.

Written comments are due June 23, 2016. For more information, please see page 32719 of the May 24 Federal Register.



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